

Message Text

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PAGE 01 THE HA 00333 220652Z

21-12

ACTION EB-11

INFO OCT-01 EUR-25 EA-11 ISO-00 IO-14 AID-20 CIAE-00

COME-00 FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07

OPIC-12 SPC-03 CIEP-02 LAB-06 SIL-01 OMB-01 NSC-10

SS-20 STR-08 CEA-02 DODE-00 PM-07 H-03 L-03 PA-04

PRS-01 USIA-15 ABF-01 FS-01 AGR-20 DRC-01 /223 W

----- 044160

R 211646Z JAN 74

FM AMEMBASSY THE HAGUE

TO SECSTATE WASHDC 2790

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

USMISSION EC BRUSSELS UNN

AMEMBASSY COPENHAGEN

AMEMBASSY LONDON

AMEMBASSY OSLO

AMEMBASSY OTTAWA

AMEMBASSY PARIS

USMISSION OECD PARIS UNN

AMEMBASSY ROME

AMEMBASSY STOCKHOLM

AMEMBASSY TOKYO

C O N F I D E N T I A L THE HAGUE 333

PASS TREASURY AND FRB

E.O. 11652: GDS

TAGS: EFIN, FR, NL

SUBJECT: FLOATING OF FRENCH FRANC

1. DUTCH FIFANCE MINISTRY SOURCE (LOOYEN) TELLS US THAT GON WAS
DISTINCTLY MIFFED BY ANNOUNCEMENT OF FLOATING OF FRENCH FRANC
WITHIN HOURS AFTER IT HAD BEEN AGREED IN C-20 THAT THERE WOULD
BE NO COMPETITIVE DEVALUATION IN FACE OF NEW ENERGY SITUATION.

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FRENCH DID NOT CONSULT DUTCH IN ANY WAY PRIOR TO DECISION AND

LEFT IT TO FRG FINANCE MINISTER SCHMIDT TO INFORM ALL INTERESTED PARTIES. IN PRACTICE SCHMIDT TELEX TO MINISTER DUISENBERG ARRIVED SATURDAY EVENING WHEN RECEIVER WAS UNATTENDED AND DUTCH THEREFORE FIRST LEARNED OF FLOAT THROUGH RADIO REPORTS.

2. LOOYEN COMMENTED THAT IF GON HAD BEEN CONSULTED BY FRENCH IT WOULD HAVE INTERPOSED STRONG OBJECTION TO FRENCH DEPARTURE FROM SNAKE. IN DUTCH VIEW IT WOULD HAVE BEEN PREFERABLE FOR FRENCH TO TAKE ADVANTAGE OF CREDITS "EVEN FROM OPEC COUNTRIES" TO MAINTAIN INTEGRITY OF SNAKE.

3. COMMENT. WHILE FLOAT CAN HARDLY BE REGARDED AS COMPETITIVE DEVALUATION IN USUAL SENSE, IT WILL HAVE THAT EFFECT AS FAR AS DUTCH ARE CONCERNED AND DUTCH THEREFORE REGARD FRENCH ACTION AS TYPICAL EXAMPLE OF GOF READINESS TO PROTECT OWN POSITION REGARDLESS OF COMMITMENTS TO CONTRARY.

4. DOLLAR WENT AS HIGH AS FL. 3.03 MONDAY IN HEAVY TRADING.
GOULD

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: DOLLAR, FOREIGN EXCHANGE, DEVALUATIONS, FRANC, FLEXIBLE EXCHANGE RATES
Control Number: n/a
Copy: SINGLE
Draft Date: 21 JAN 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974THEHA00333
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: n/a
From: THE HAGUE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740126/aaaaayrv.tel
Line Count: 80
Locator: TEXT ON-LINE
Office: ACTION EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
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Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 02 APR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <02 APR 2002 by kelleyw0>; APPROVED <29 MAY 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: FLOATING OF FRENCH FRANC
TAGS: EFIN, FR, NL
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005